

DEPARTMENT OF CORPORATIONS
STATE OF CALIFORNIA

INSTRUCTIONS FOR COMPLETING AND FILING
APPLICATION FOR INVESTMENT ADVISER CERTIFICATE
ON FORM ADV
(UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION)
(17 CFR 279.1) IN CALIFORNIA

(Only for Use in Connection with Applications and Amendments to Applications for Investment Adviser Certificate Pursuant to Section 25231, Corporations Code, and Section 260.241.4, Title 10, California Code of Regulations).

PART I. FILING FEE AND MAILING ADDRESS.

The fee for filing an initial application for a certificate as an investment adviser is \$125.00. Payment of this amount shall keep the certificate, if granted, in effect during the calendar year in which it is granted. Make checks payable to DEPARTMENT OF CORPORATIONS and mail with Form ADV to Department of Corporations, 980 9th Street, 5th Floor, Sacramento, CA 95814-2725. Fees are not refundable except pursuant to Section 250.15, Title 10, California Code of Regulations.

PART II. INSTRUCTIONS AS TO ARREST RECORDS.

(1) Question 11 G. of Part I of Form ADV must be modified, as set forth below, upon an initial application because of the prohibitions of Section 461, Business and Professions Code:

Insert after the word "item" the following:

"other than a pending proceeding involving an arrest of such person?"

AN INITIAL APPLICATION WHICH IS NOT MODIFIED IN ACCORDANCE WITH THE FOREGOING INSTRUCTIONS WILL NOT BE RECEIVED FOR FILING BY THE DEPARTMENT AND WILL BE RETURNED WITHOUT PROCESSING.

PART III. ADDITIONAL INFORMATION.

(1) Attach a statement demonstrating compliance by the investment adviser, all general partners, officers, directors and associated persons thereof with the examination requirement of Section 260.236, Title 10, California Code of Regulations or in lieu thereof, a statement setting forth the date and place of the proposed examination to be taken in compliance with said section and the administering authority of the examination.

(2) Unless applicant is a California corporation, attach a completed Consent to Service of Process on Form 260.165.

(3) If the applicant intends to take any power of attorney from any investment advisory client to execute transactions, to have custody of any investment advisory client's securities or funds, or intends to receive fees for period publications or other investment advisory services paid six months or more in advance of the services, the following additional exhibits must be submitted:

(a) Attach a balance sheet as of a date within 45 days prior to the filing of the application, which need not be audited. However, if such balance sheet is not audited, there should be filed, in addition, an audited

financial statement as of the end of applicant's last fiscal year;

(b) Attach a computation of tangible net capital, the ratio of tangible net capital to total aggregate indebtedness, and the ratio of current capital to current aggregate indebtedness of the applicant, in accordance with Section 260.237.1, Title 10, California Code of Regulations, as of the same date as the balance sheets submitted under paragraph (a) above.

(4) Attach a copy of the standard investment advisory contract form(s) proposed to be used by applicant in this state.

(5) Attach a properly executed Customer Authorization of Disclosure of Financial Records on Form QR 500.261.

(6) Attach the name of applicant's worker's compensation insurance carrier or a copy of the certificate of consent to self-insure, if any. See Section 3700, Labor Code.

NOTE: Social Security Account Numbers: In accordance with Section 7 of the Privacy Act of 1974 (PL. 93-579), the following information is provided in connection with the disclosure of a social security account number in the Schedules to Form ADV.

Disclosure of a social security account number shall be considered a voluntary disclosure. A social security account number is solicited pursuant to one or more of the following authorities:

Section 25231, Corporations Code.

Section 260.231, Title 10, California Code of Regulations.

Uses to be made of social security account numbers solicited by Form ADV and the Schedules thereto are:

A. For all persons disclosing social security account numbers, the number may be used in addition to other information provided, to conduct a background investigation of the individual by the Department of Justice's Identification and Information Branch or by other federal, state or local law enforcement agencies.

B. The completed form, including any disclosed social security account numbers, shall become a public record and available to members of the public pursuant to the provisions of the Public Records Act (Government Code Sections 6250 et seq.).